due to sluggish capital market conditions.

* On the external side, the export growth has been sluggish which has been aggravated by fall in world export growth. Export growth at (–) 2.88% has shown a substantial decline during April—December 1998.

* Demand constraints constitute one of the important reasons for decline in industrial growth. while there has been decline in growth in textiles on account of slowdown in consumption demand, cement and steel have been affected by lack of investment demand.

* Indian corporates have also been affected by competition from cheap imports, owing to devaluation on currencies in East Asia and Brazil.

(c) No annual target of industrial growth for the year 1998-99 has been fixed. However, the Government has announced various measures for correcting sectoral policies and to induce faster growth. In the Budget for 1999-2000, various measures have been announced for revival of industry to accelerate industrial growth. These measures are likely to lead to a favourable impact on industrial growth.

Central investment subsidy for North-Eastern States

2050. SHRI W. ANGOU SINGH: Will the Minister of INDUSTRY be pleased to state:

(a) the category in which Central investment subsidy in industries has been given to the North-Eastern States;

(b) the rate of subsidy alongwith the total amount of capital investment given to this North-Eastern Region;

(c) whether the area can be called "No industries region"; and

(d) if so, what steps have been taken in this regard?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) and (b) All industrial units other than those run departmentally and located in the notified backward areas were eligible for subsidy under the Central Investment subsidy scheme. The backward areas were classified into three cateogories viz. category 'A' Category 'B' and Category 'C'. The rate of subsidy was ranging between 10%—25% of the fixed capital investment, subject to a ceiling of Rs. 25 lakhs. Since inception of the Scheme till date, an amount of Rs. 77.75 crores has been released to the North-Eastern States.

(c) and (d) All the States in the North-Eastern Region were notified as industrially backward areas and were included in Category 'A' which covered the areas of 'No Industry Districts' and 'Special Region Districts.'

A new Industrial Policy for the North-Eastern Region providing a number of incentives and other fiscal benefits was announced in December, 1997 for accelerating industrial development of the region.

Sale tax exemption to Tata Indica Car Manufacturers

2051. SHRI GOVINDRAM MIRI: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government are aware of the fact that the Maharashtra Government have exempted Tata Indica Car manufacturers/traders from paying Sales tax thereon;

(b) if so, whether his Ministry has ensured that the fruits of exemption reach the consumer who are the targeted beneficiaries; and

(c) if so, how and if not, why?